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## 1. Definitions

*Adult-Use Conditional Cultivator* or *AUCC* means a licensee that is licensed by the Board pursuant to Section 68-c of the Cannabis Law to engage in the cultivation of adult-use cannabis.

*Adult-Use Conditional Processor* or *AUCP* means a licensee that is licensed by the Board pursuant to Section 69-a of the Cannabis Law to engage in the processing of adult-use cannabis.

*Advertisement* means “advertisement” as defined in Part 128 of Chapter II of Subtitle B of Title 9 of the New York Codes, Rules and Regulations.

*Advertising* means “advertising” as defined in Part 128 of Chapter II of Subtitle B of Title 9 of the New York Codes, Rules and Regulations.

*Board* means the New York State Cannabis Control Board as defined in Article 1 of the Cannabis Law.

*Bona fide labor organization* means a local labor union that represents employees in this state regarding wages, hours and working conditions; in which officers have been elected by secret ballot or otherwise in a manner consistent with federal law; and that is free of domination or interference by any employer and has received no improper assistance or support from any employer.

*Branding* means branding as defined in Part 128 of Chapter II of Subtitle B of Title 9 of the New York Codes, Rules and Regulations.

*Cannabis flower product* means any form of cannabis product consisting predominantly of the flower, buds, and leaves of the cannabis plant, including trimmings thereof, intended for retail sale to customers.

*Cannabis Growers Showcase* or *CGS* means a temporary event approved by the Office authorizing AUCC and AUCP licensees to showcase cannabis products which shall be sold by CAURD licensees to customers, in accordance with this Guidance.

*Cannabis Growers Showcase Organizer* or *CGS Organizer* means an Adult-Use Conditional Cultivator or CAURD licensee with final authorizations from the Office for licensed activities, that has applied for and been approved by the Office to organize a Cannabis Grower Showcase.

*Cannabis Growers Showcase Premises* or *CGS Premises* means the area approved for use by the Office, pursuant to Section 126 of the Cannabis Law, for the retail sale of cannabis and the showcasing of cannabis products by the CGS Organizer, CGS Vendors, AUCCs, and AUCPs.

*Cannabis Growers Showcase Vendor* or *CGS Vendor* means a CAURD licensee that sells adult-use cannabis product at a Cannabis Growers Showcase.



*Cannabis merchandise* means a consumer good that does not contain cannabis and includes or displays a brand of a licensee. Cannabis merchandise is an advertisement and must comply with Parts 128 and 129 of Chapter II of Subtitle B of Title 9 of the New York Codes, Rules and Regulations. Cannabis merchandise may include, but is not limited to, clothing, hats, pencils, pens, keychains, mugs, water bottles, beverage glasses, notepads, lanyards, or cannabis paraphernalia.

*Cannabis paraphernalia* means any equipment, product or material of any kind which is primarily intended or designed for use in the preparation, consumption, or storage of cannabis products.

*Cannabis waste* means all cannabis byproduct, scrap, harvested cannabis and cannabis infused products not intended for sale to a customer or distribution to an entity licensed or registered under the Cannabis Law.

*Conditional Adult-Use Retail Dispensary or CAURD* means a licensee authorized under Part 116 of Chapter II of Subtitle B of Title 9 of the New York Codes, Rules and Regulations.

*Consume or consumption or consuming* means the inhalation, which includes but is not limited to smoking and vaping; ingestion; application; or use of adult-use cannabis products.

*Customer* means a person twenty-one (21) years of age or older acting in accordance with any provision of the Cannabis Law.

*Employee in Charge* means an individual twenty-one (21) years of age or older at management level designated by a Cannabis Growers Showcase Vendor to be responsible to perform or oversee the retail activities at the Cannabis Growers Showcase.

*Exit package* means the receptacle into which cannabis products within a retail package are placed at the retail point of sale. The exit package is optional.

*House of worship* means a whole building owned or leased by a religious corporation as described by the Religious Corporations Law or used by a religious corporation or association of any denomination pursuant to the written permission of the owner thereof, which is used by members exclusively as a meeting place for divine worship or other religious observances presided over by a member of the clergy.

*Lead Contact* means an individual twenty-one (21) years of age or older at management level designated by a Cannabis Growers Showcase Organizer to be responsible to perform or oversee the performance of the tasks stated in this Guidance at the Cannabis Growers Showcase.

*License* means a “license” as defined in Article 1 of the Cannabis Law.

*Licensee* means a “licensee” as defined in Article 1 of the Cannabis Law.



*Office* means the New York State Office of Cannabis Management as defined in Article 1 of the Cannabis Law.

*Processing* means, amongst other things, blending, extracting, infusing, packaging, labeling, branding or otherwise making cannabis products.

*Public youth facility* means a location or structure owned by a government or government subdivision or agency, that is accessible to the public, where the primary purpose is to provide recreational opportunities or services to children or adolescents of whom the primary population is reasonably expected to be seventeen (17) years of age or younger.

*Registered Organization* or *RO* means an organization registered under Article 3 of the Cannabis Law.

*Registered Organization with Dispensing* or *ROD* means a registered organization adult-use cultivator processor distributor retail dispensary licensee pursuant to Section 68-a of the Cannabis Law.

*Registered Organization with No Dispensing* or *ROND* means a registered organization adult-use cultivator processor distributor licensee pursuant to Section 68-b of the Cannabis Law.

*Retail advertising specialty* means cannabis merchandise that a licensee provides to a retail dispensary that is not intended for retail sale at the dispensary. Examples of retailer advertising specialties include trays, rolling papers, mats, menu cards, matches, paper napkins, filters, thermometers, clocks, shirts, hats, visors, branded signs, refrigerators, display cabinets, art, and calendars. All items shall comply with Part 129 of Chapter II of Subtitle B of Title 9 of the New York Codes, Rules and Regulations and cannot be attractive to individuals under the age of twenty-one (21) and all apparel shall be available in adult sizes only. The manufacturer or wholesaler may add the name or address of the retailer to the retailer advertising specialty.

*School grounds* means any building, structure and surrounding outdoor grounds, including entrances or exits, contained within a public or private pre-school, nursery school, elementary or secondary school's legally defined property boundaries as registered in a county clerk's office as defined by Section 409 of the Education Law.

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## 2. Cannabis Growers Showcase Eligibility

A Conditional Adult-Use Retail Dispensary (CAURD) licensee or an Adult-Use Conditional Cultivator (AUCC) licensee may apply to be a Cannabis Grower Showcase Organizer for a Cannabis Grower Showcase or "CGS", granting them authorization for temporary retail sales at a location approved by the Office under Section 126 of the Cannabis Law. To be eligible, the CGS Organizer must partner with at least three (3) or more AUCCs and a CGS Vendor (a CAURD licensee). The CGS Vendor will be authorized to sell cannabis products, produced, and distributed by the participating AUCCs, to customers. For every three (3) AUCCs participating,



one (1) Adult-Use Conditional Processor (AUCP) may participate. For every three (3) AUCCs participants beyond the first three (3), an additional CAURD may participate as an additional CGS Vendor. At least one (1) of the participating AUCCs must be someone the CAURD does not currently carry in their storefront or delivery only inventory.

All participating CGS Vendors must be CAURD licensees with final retail authorizations, including those who have been approved to operate temporary delivery only locations and have received a license certificate from the Office of Cannabis Management and adult-use cannabis tax registration from the Department of Taxation and Finance. The CGS Organizer will be the lead point of contact for the Office and will submit the application for review. Please note, provisional licensees and licensees with a stop work order, or otherwise under suspension from being able to conduct adult-use licensed activities by the Office of Cannabis Management are not eligible to operate or participate in a Cannabis Growers Showcase. In addition, licensees who are non-compliant with inventory reporting requirements will be prohibited from participation.

Unless the CGS is taking place in a licensed CAURD location, the CGS Organizer must obtain and submit with its application, approval to conduct the CGS from the municipality where the CGS is taking place. Final authorization must be granted in writing by the Office of Cannabis Management for a CGS to occur.

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### **3. Cannabis Growers Showcase Initiative Dates and Venue Eligibility**

The Cannabis Growers Showcase initiative will run through January 1, 2024. No CGS events can be held after January 1, 2024.

#### **Potentially Suitable Locations for a CGS Premises.**

A Cannabis Growers Showcase Premises can take many forms, including a brick-and-mortar storefront, or an indoor or outdoor booth, stall, or framed structure in a public or private area where the CGS is authorized to operate. For example, a CGS may operate a CGS Premises:

- As a standalone event where cannabis products are sold by the CGS Organizer and other participating CGS Vendors (who must be CAURD).
- In conjunction with a permitted event, which may be free to the public, require a ticket or fee for entry, or be private.
  - *Please note:*
    - The CGS Organizer must also submit a signed letter of approval from the organizer of the associated event granting approval for the CGS and stating the location, date, and time of the associated event, projected



attendance of the associated event during the CGS hours, and contact information for an event organizer.

- At a licensed CAURD location, except temporary delivery only locations which are not eligible to host CGS. Where the CGS premises is in a licensed CAURD location all standard compliance procedures apply. For further retail guidance, please visit: [Retail Dispensary Guidance](#)
- At the operating location of a licensed AUCC or AUCP who is participating in the CGS. Provided however, customers are not allowed to enter restricted areas, such as areas where licensed cultivation or processing activities are taking place or where cannabis and cannabis products are being stored and may not be secure.

All sales of cannabis products to customers must be conducted by CAURD licensees or their employees in accordance with the Cannabis Law.

A CGS may require pre-registration or ticketing or be open to the public, or partner with an associated event requiring pre-registration, ticketing, or that is open to the public. Tickets may not entitle attendees to free or discounted cannabis products. For example, cannabis products are not allowed to be given for free or discounted to the customer for the purchase of an event ticket.

A CGS cannot last beyond fourteen (14) consecutive days but may be a recurring event.

#### Unsuitable Locations for a CGS Premises.

There are certain locations that are not suitable for a CGS premises.

The Office will not approve a proposed Cannabis Growers Showcase taking place:

- in association with an event where the primary audience that is reasonably expected to view the showcase at the associated event are seventeen (17) years of age or younger, or where the specific audience at the CGS or Associated Event are suspected to be under the legal age to purchase cannabis.
- on the same road and within 500 feet of a building and its grounds occupied exclusively as school grounds or a public youth facility.
  - This measurement will be taken in a straight line from the center of the nearest of the nearest entrance to the building used as a school on the school grounds to the nearest point of the CGS Premises, unless the CGS is located within a brick-and-mortar location, in which case the measurement shall be taken to the center of the nearest entrance of the brick-and-mortar location that is housing the CGS.
- on the same road and within 200 feet of a building occupied exclusively as a house of worship. This measurement will be taken in a straight line from the center of the nearest



entrance to the building used for the house of worship to the nearest point of the CGS Premises, unless the CGS is located within a brick-and-mortar location, in which case the measurement shall be taken to the center of the nearest entrance of the brick-and-mortar location that is housing the CGS.

- A house of worship does not need to exclusively be used for religious services to be considered a house of worship. A house of worship will still be considered a house of worship if:
  - It is used for games or performances that raise funds for a nonprofit organization;
  - It is used by multiple religious groups;
  - It is used for public or private social activities by, or for the benefit of, congregants;
  - It is used for meetings held by organizations or groups that provide bereavement counseling or provide advice or support for conditions or diseases;
  - It is used for blood drives, health screenings, health information meetings, yoga classes, exercise classes, or other activities that promote the health of its congregants;
  - It is used by members of the community that are not congregants for private social functions.
- anywhere within a defined radius of a permanent adult-use retail dispensary,<sup>1</sup> including a CAURD, or medical cannabis dispensing facilities operated by Registered Organizations (RO), notwithstanding an approved CGS inside a retail dispensary or unless otherwise explicitly approved by the Office. The size of that radius depends on the population of the city, town, or village that the new dispensary will be in and is based upon the most recent American Community Survey (ACS) 5-year estimate of that municipality's population.

City, Town, or Village Population	Radius
20,000 or more	1,000 feet
Less than 20,000	2,000 feet

- To determine if a CGS Premises would be located too closely to another dispensary, the measurement will be taken in a straight line from the center of the nearest entrance of the existing dispensary to the nearest point of the premises that the licensee wishes to locate the CGS, unless the CGS is located within a brick-

<sup>1</sup> This prohibition does not apply to temporary delivery only locations.





and-mortar location, in which case the measurement shall be taken to the center of the nearest entrance of the brick-and-mortar location that is housing the CGS.

*For purposes of measuring distance:*

- If the entrance being used for the measurement is set back from the sidewalk by a walkway or doorway, the center of the line where the walkway or doorway meets the sidewalk is used for the measurement.
- If the premises is a multi-story building, the building entrance at street level is used.
- If the house of worship or the establishment are situated on a corner lot, the house of worship/establishment are considered to be on both streets of the intersection, whether or not there is an entrance to the building on both streets.
- Only entrances that are regularly used to give ingress to patrons of the establishment will be used to determine distance. Emergency or fire exits, maintenance access, or doors to non-public areas of the premises are not considered in these measurements.

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#### 4. Municipal Approval

All Cannabis Growers Showcase Organizers must submit a letter of approval signed by an official or representative from an administrative body responsible for event permitting in the city, town, or village where the CGS is to take place on official letterhead, that states the location, days, and times at which cannabis products are being offered for sale or sold. Cannabis Growers Showcases may only be held on premises in municipalities that have not opted-out of allowing cannabis retail dispensaries to operate within their jurisdiction pursuant to Section 131 of the Cannabis Law. A list of municipalities that have opt-ed out of retail dispensaries is available on the Office's website: <https://cannabis.ny.gov/local-government>.

If the municipality has an existing requirement to apply for a temporary event or similar permit or license, proof of such permit or license being granted to the CGS will be required. Where such local permit is granted, a letter of municipal approval under this section will not be required. CGS Organizers must comply with all other requirements associated with organizing or participating at such permitted event. However, final authorization for the CGS must be granted in writing by the Office of Cannabis Management. If the CGS is in a licensed brick-and-mortar retail dispensary where retail sales normally occur, a letter of municipal approval under this section will not be required.

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#### 5. Application Process





Eligible CAURD or AUCC licensees may apply to host a Cannabis Growers Showcase as a Cannabis Growers Showcase Organizer (or “CGS Organizer”). An application form is available at: Cannabis Growers Showcase [Application](#).

Cannabis Growers Showcase applications must be submitted a minimum of ten (10) business days in advance for a CGS event being held before September 5, 2023, unless otherwise approved by the Office. Applications for a CGS event being held after September 5, 2023, must be submitted at least twenty (20) business days in advance of the CGS date. The Office encourages licensees to submit CGS applications with as much time before the event as possible to account for application review. The Office will review applications expeditiously on a rolling basis. Applications can be amended up to five (5) business days in advance of the CGS as instructed by the Office but must remain compliant with the criteria in this guidance document.

The application will collect basic information about the CGS, including but not limited to the CGS dates, hours of operation, and location; any planned activities at the CGS; licensed partners; inventory data; and information about the CGS and associated event, where applicable. Applicants will also be required to submit a basic site plan of the CGS, as well as the associated event, where applicable; required approval letters or permits from the local municipality or event; proof demonstrating authorization to use the location where the CGS will occur; and required attestations. The Site Plan should include where cannabis sales will occur, points of sale and controlled access where cannabis customers are permitted and not permitted. Please note, all participating licensees must sign and submit a copy of the required attestations.

There is no prohibition on licensees participating in multiple or concurrent CGS, provided each proposed CGS follows the rules stated in this Guidance.

The Office reserves the right to request additional information in relation to the proposed CGS.

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## **6. Staffing**

CGS Organizers must designate a CGS Lead Contact and an Employee in Charge.

The Lead Contact must be a management-level employee of a participating licensee and be at least twenty-one (21) years of age or older. The Lead Contact is responsible for the CGS staffing plan and compliance leading up to and at the event. The staffing plan should, at a minimum, include the name, contact information, date of birth, and role at the CGS of the Lead Contact, Employee in Charge, and all other workers employed by licensees participating in the CGS in roles related to the distribution or sale of cannabis products.

The Employee in Charge must be employed by a CGS Vendor and be at least twenty-one (21) years of age or older. The Employee in Charge is responsible for managing the core retail sales function of the CGS.



An individual cannot be the Lead Contact of multiple CGS at the same time, or an Employee in Charge of more than one retail dispensary at a time, including more than one CGS at a time, or concurrently of a CGS and a retail dispensary. However, where the CGS Organizer is a CAURD licensee, the Lead Contact and Employee in Charge can be the same person.

A licensee cannot hire anyone under the age of eighteen (18) and only workers who are at least twenty-one (21) years of age can have direct interactions with customers, or transport cannabis products in any way. Workers that do not fulfill such customer-facing roles must be at least eighteen (18) years of age.

Further, all CGS workers must be employees of the participating licensees, each of whom has provided the Office with a Labor Peace Agreement signed with a bona fide labor organization.

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## 7. Branding

Licensees and their employees may operate under their “doing business as” name. In addition, the Cannabis Growers Showcase may operate under a separate name, which may include the phrase “Cannabis Growers Showcase” or “Growers Showcase,” and must be otherwise compliant with Packaging, Labeling, Marketing, and Advertising (or “PLMA”) rules, regulations, and guidance.

Licensees cannot misrepresent their business as a medical cannabis dispensary and cannot make health claims pursuant to Parts 128 and 129 of Chapter II of Subtitle B of Title 9 of the New York Codes, Rules and Regulations. Licensees are also prohibited from representing their business as producing or selling “organic” (until such term may be used to describe cannabis in accordance with the USDA’s National Organic Program) or “craft” products (until such representation is authorized by the Office.)

Licensees cannot appeal to individuals under twenty-one (21) in their marketing or advertising, including their branding. Branding cannot use images, fonts, colors, messages, or any other content that would be attractive to individuals under twenty-one (21), as defined in Parts 128 and 129 of Chapter II of Subtitle B of Title 9 of the New York Codes, Rules and Regulations and the for additional information.

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## 8. Cannabis Growers Showcase Outdoor Signs

A CGS is limited to **two** outdoor signs and those signs cannot be larger than necessary to reasonably display the information on the sign to individuals within or near the licensed premises. Outdoor signs advertising the CGS can only, **at a maximum**, include text that includes the licensees’:

- The business or trade name of the CGS Vendor;



- the CGS Vendor's licensee's dispensary address, phone number, email address, and website URL; and
- the nature of the business (i.e. "Cannabis Growers Showcase," "Growers Showcase," "adult-use cannabis dispensary," or similar phrase.)
  - The nature of the business cannot include a licensee's selling message or motto; and
  - Because the sign is at a CGS, the nature of the business can occur the name, location, and website URL of all AUCC or AUCP licensees participating in a CGS

Outdoor signs cannot include a licensee's logo, symbol, or any images, including, but not limited to, depicting cannabis, cannabis products, or the imagery or action of smoking or vaping. Outdoor signs cannot include mottos, selling messages, or any other non-essential text. A CGS is limited to two outdoor signs and those signs cannot be larger than necessary to reasonably display the information on the sign to individuals within or near the licensed premises. All signs must be affixed to the CGS structure.

The CGS Organizer must ensure that no cannabis products are displayed in an area that is visible from outside the CGS premises and that no advertisement, unless it is a permitted outdoor sign, can be seen from a school ground or public youth facility.

The CGS Organizer must ensure that customers do not impact the ability of individuals to utilize the public thoroughfare on which the CGS premises is located, even during periods of heavy customer traffic. This may require licensees to utilize a line with stanchions, pre-orders, an appointment schedule, or other traffic control methods. Licensees must also comply with local ordinances and rules related to odors, noises, parking, traffic control, including, pedestrian and vehicular traffic, and other nuisances not preempted by Office regulations or determined to be unreasonably impracticable by the Board.

Cannabis Growers Showcase Organizers must have a copy of their license certificate and CGS authorization letter from the Office of Cannabis Management on-site at the CGS. CGS Vendors must display their CAURD license certificate and participating licensees must have a copy of their license certificate from the Office of Cannabis Management on-site at the CGS.

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### **9. Showcasing Rules**

Licensees may have brand representatives at the CGS Premises to share information about, and showcase, their cannabis products to, customers. No AUCC, AUCP, or their employees are authorized to conduct sales of cannabis products to customers. Only CGS Vendors (CAURD) and their employees are authorized to conduct sales.

Any marketing or advertising by AUCC or AUCP licensees or their true parties of interest at the CGS must comply with PLMA rules, regulations, and guidance, and must be limited to the showcasing areas of the CGS Premises and be within the retail advertising specialty limits.



Additional marketing or advertising in conjunction with an associated event by any cultivator, processor, distributor, cooperative, microbusiness, ROD, ROND, Article 3 registered organization, or any of their true parties of interest, may only be incidental to the sale of cannabis products. Further, supply licensees and their true parties of interest may not pay for, sponsor, or otherwise provide entertainment at the CGS or associated event.

Goods and services agreements provisions governing arrangements between retail and supply licensees, including any conditional or non-conditional cultivator, processor, distributor, or RO licensee or their true parties of interest apply. A CGS Organizer may not share the costs of organizing the CGS with licensees on a separate licensing tier but may offer a no-charge use of space agreement for the CGS Premises to licensees on another tier. This provision does not preclude the normal sale of cannabis products through the AUCC and AUCP's distribution authorization and participating licensees compensating their employees. More information about goods and services agreement rules and prohibitions are available at [cannabis.ny.gov/CAURD-TPI](https://cannabis.ny.gov/CAURD-TPI).

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## 10. Distribution of Cannabis Products to Retail Licensees

For purposes of cannabis product sales at the CGS, AUCCs can only distribute cannabis flower products (flower in retail packaging and pre-rolls), and AUCPs can only distribute value-added products (no flower in retail packaging and pre-rolls). All cannabis products must be sold at a fair market value. All cannabis products sold at a CGS must have passed testing conducted by a permitted laboratory in New York State in accordance with Part 130 of Chapter II of Subtitle B of Title 9 of the New York Codes, Rules and Regulations and be packaged in accordance with the requirements set forth in Part 128 of Chapter II of Subtitle B of Title 9 of the New York Codes, Rules and Regulations. More information is available at: OCM Laboratory and Sampling Guidance.

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## 11. Authorized Inventory at the Cannabis Growers Showcase

Authorized inventory for retail sale at a CGS include:

- cannabis products;
- cannabinoid hemp products (only if granted a Cannabinoid Hemp Temporary Retail Permit by the Office to sell hemp);
- cannabis paraphernalia;
- merchandise including stationary, gifts, and other minor incidentals;
- branded merchandise and apparel containing the licensee's brand, including jewelry and accessories (in adult sizes only); and
- other items as approved by the Office.



No more than 35% of the proposed inventory sold at the Cannabis Growers Showcase can be from an AUCP.

Notwithstanding the list above, licensed retailers cannot offer for sale:

- food or beverages that do not contain cannabis, except water;
- tobacco or any product containing tobacco or nicotine;
- any items that are commonly associated with—or marketed in a manner so as to be attractive to—individuals under twenty-one (21) including, but not limited to, candy, toys, and games; and
- apparel or merchandise, including jewelry or other accessories, that reference another brand other than the licensees.

No alcoholic beverages shall be sold by a CGS Organizer or CGS Vendor. Sales of alcohol are not permitted on the CGS Premises. Notwithstanding, a CGS can take place if alcohol sales are occurring at an associated event, so long as the sale of alcohol is being executed by a non-CGS Vendor outside the CGS Premises.

If a CGS Vendor licensee is selling any product that is subject to the State sales and use tax, the licensee must obtain a Certificate of Authority from the Department of Taxation and Finance to pay the sales tax.

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## 12. Storage of Cannabis Products

Customers cannot have direct access to cannabis products while shopping unless inspecting samples with the assistance of authorized CGS staff. Products may be displayed to customers only if locked behind a counter or other barrier. Licensees may utilize product displays or other branded elements to advertise the product within such locked counters or barriers, even if these elements are provided by another licensee as a retail advertising specialty. However, such product displays or other branded elements must comply with all restrictions on marketing and advertising in accordance with Parts 128 and 129 of Chapter II of Subtitle B of Title 9 of the New York Codes, Rules and Regulations. Products not intended for display should be secured in an area that is only accessible to authorized employees, not visible to customers, and is suitable to the product form being stored. CGS Vendors may not keep more than a working supply of product at the point of sale in a manner where the product is not visible or accessible to the customer. Products cannot be left at a CGS overnight unless explicitly approved by the Office upon request, submission, and review of a safe storage plan provided by the CGS Organizer.

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## 13. Cash Handling and Storage



Cash must be kept locked and secure. No cash shall be left unattended or overnight at a CGS. The Office encourages licensees to regularly transfer excess cash from the CGS Premises to a secure location.

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## **14. Menus and Prices**

CGS Vendors must clearly designate the price of all items for sale and are required to clearly communicate the price of all items to customers. Any items that are displayed for sale at the CGS must have a price tag, sign, or placard stating the item's price and total cost to the consumer (including taxes). Licensees are not required to make a "menu" available to customers, but any menus – including those posted online – must include the price and total cost (including tax) of each item for sale.

Licensees cannot give away, including through donation, any cannabis products. Licensees cannot advertise giveaways, discounts, price reductions, points-based reward systems, or customer loyalty programs including, but not limited to, by using the words "sale", "free", "price drop", "BOGO" or "discount" on a menu, in any communications to customers, or elsewhere. This does not prohibit licensees from changing the price of cannabis products or otherwise "discounting" products.

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## **15. Maximum Margin for Retail**

CGS Vendors are limited to the follow maximum margins:

- Max 50% mark-up on flower
- No mark-up limit on processed products

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## **16. Consumer Education**

The CGS Organizer must post or provide consumer education materials to customers, as made available by the Office. Consumer education materials must have a primary purpose of educating customers about the safer consumption of cannabis products.

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## 17. Product Display Samples

Licensees may display cannabis product samples and make these samples available to customers for inspection. Customers cannot consume the samples or take them out of the CGS but may smell or otherwise inspect the samples. Display samples must be handled in a sanitary and secure manner at all times. When they are not being inspected by customers, samples can be displayed in a case or kept elsewhere on the premises, but they must be kept in a secure, locked place. Cannabis samples cannot be sold or given away to customers and must be accurately recorded on the CGS Vendors inventory tracking system.

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## 18. Cannabis Product Samples

Licensees shall not offer or provide samples of cannabis products at a CGS.

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## 19. Customer Age Verification

CGS Vendor (CAURD) employees must inspect a customer's identification before that customer can purchase cannabis products, pursuant to the Office's Retail Dispensary Guidance.

Valid identification for the purpose of determining a customer's age includes:

- a valid federal, state, or local government identification, including IDNYC or a NYS Benefit identification card, stating the customer's age and a photograph of the individual's face;
- a valid driver's license or non-driver identification card issued by the Department of Motor Vehicles, the federal government, any United States territory, commonwealth or possession, the District of Columbia, a state government within the United States or a provincial government of the dominion of Canada;
- a valid passport issued by the United States government or any other country; or
- an identification card issued by the armed forces of the United States.

Workers are not required to decline a sale to an individual who is at least twenty-one (21) solely because they are accompanied by an individual under twenty-one (21) years of age. However, if a worker believes, based on the information available to them, that the sale would create a risk of diversion of cannabis products to an individual under twenty-one (21) years of age, they must decline such sale.

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## 20. Cannabis Products Sales to Customers

CGS Vendors have two (2) options to conduct sales at a Cannabis Grower Showcase.

### Option #1

*Instant Fulfillment:* The CGS Vendor does not pre-order a set quantity of cannabis products from an AUCC or AUCP. At the CGS, a customer orders a cannabis product from a CGS Vendor (CAURD). The CGS Vendor then submits the order to the AUCC and AUCP for fulfillment. The respective AUCC or AUCP will distribute those cannabis products to the CGS Vendor on-site. The customer then pays to complete the transaction with the CGS Vendor. The AUCC, AUCP, and person who sells at retail (CGS vendor) must pay the applicable distributor and retail taxes. The AUCC or AUCP must pay to the Department of Taxation and Finance the appropriate distributor taxes.

### Option #2

*Standard Distribution:* The CGS Vendor orders cannabis products from participating AUCC and AUCP licensees before the CGS. At the CGS, the CGS Vendor operates all parts of the sales and order fulfillment process at the CGS, offering only cannabis products produced by the participating AUCC and AUCP, who may be on-site to showcase their products.

### *Rules*

Only CGS Vendors (CAURD) and their employees shall be authorized to sell cannabis products to cannabis customers, up to the daily legal limit per customer. Delivery orders cannot be placed at or fulfilled from the CGS, nor can orders be fulfilled to customers who are inside a vehicle. Customers may not use EBT/SNAP benefits to pay for cannabis products.

Customers must be offered a receipt after each transaction. This receipt can be physical or digital, but must include the:

- Name, address of sale, and license number of the dispensary licensee;
- Date and time of sale;
- Form and quantity of cannabis products and any other items sold;
- Worker completing the transaction; and
- A separate delineation for each tax imposed on retail sales of adult-use cannabis products pursuant to Article 20-C of the NYS Tax Law.

After the transaction, the products may be placed into an exit package for the customer. An exit package is not required, and customers may provide their own exit package, such as a reusable bag or backpack. If the licensee provides an exit package, it may only contain the licensee's brand name and logo. Selling messages, mottos, and other brand markers (besides the brand name and logo) are not allowed on the exit package.



Licensees participating in the CGS, as well as associated event participants and vendors, cannot retain a cannabis customer's personal information for marketing and advertising purposes unless the customer consents to the information being retained for this reason.

Standard payments terms between CAURD and AUCC or AUCP licenses as stated in the Office's Retail Guidance apply:

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## **21. Promotional Merchandise**

AUCC and AUCP licensees are authorized to provide the CGS Vendors with promotional merchandise approved by the Office, as well as retail advertising specialties with a maximum wholesale limit of \$200 per Cannabis Growers Showcase. If there are multiple CGS Vendors, the value of the retail advertising specialties assessed will be the total value of all retail advertising specialties given to participating CGS Vendors at the CGS. Additional information on authorized promotions can be found in this Guidance and in the PLMA regulations online at: [PLMA Rules](#).

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## **22. Collection of Taxes**

CGS Vendors (CAURD) are responsible to collect excise taxes on all cannabis product sales. CGS Vendors will need to source the retail tax to the location in which the sale takes place. This might mean that the CGS will report tax in two separate jurisdictions. CGS Vendors are also required to ensure that all AUCCs and AUCPs receive payment for the cannabis products purchased. AUCCs and AUCPs are responsible for paying all applicable taxes on the distribution of cannabis products to a retailer.

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## **23. Consumption of Adult-Use Cannabis**

Approval of a CGS does not authorize or sanction the consumption of adult-use cannabis products on the Cannabis Growers Showcase Premises.

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## **24. Internet Connectivity Requirements**

All CGS Premises must have internet connectivity. For a CGS with over 1,000 projected attendees, the Office recommends a hardline connection.

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## 25. Inventory Tracking

Standard licensee inventory tracking requirements apply at CGS. As products are ordered and sold between licensees and to customers, licensees are responsible for tracking all cannabis product inventory, transaction data, and tax liability. All AUCC and AUCP to retailer transactions and all customer transactions must result in an entry in the licensee's inventory tracking system. Licensee inventory and sales reports must be sent to the Office per standard protocol, with sales made at an approved Cannabis Growers Showcase clearly demarcated.

This entry must include, at a minimum:

- Each item sold and the following information pertaining to the item:
  - Price;
  - Amount of tax due, including a separate delineation for each tax imposed on adult-use cannabis pursuant to Article 20-C of the Tax Law as appropriate for the licensee type (if a cannabis product);
  - Quantity sold in that transaction; and
  - Form of the product (if a cannabis product);
- Worker completing the transaction;
- Device used to complete the transaction;
- Transaction's unique identifier; and
- Date, time, and location of the transaction.

*Loss of System Access.* If at any point a CGS Vendor loses access to the inventory tracking system for any reason, the CGS Vendor must keep and maintain comprehensive records detailing all inventory tracking activities that were conducted during the loss of access, including customer transactions. CGS Vendors are not required to continue sales to customers during a loss of system access, but if sales may safely continue during such loss, then the CGS Vendor may choose to do so. CGS Vendors that continue sales during a loss of system access must have a process in place to continue to provide receipts to customers during a loss of system access if the licensee wishes to continue sales during such loss. Additional retail tracking requirements can be found in the Office's Retail Guidance under Section 9: [Retail Dispensary Guidance](#)

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## 26. Disposal of Cannabis and Cannabis Waste

CGS Vendors must comply with standard cannabis waste and disposal rules as stated in the Office's rules, regulations, and guidance. Additional waste disposal requirements can be found in the Office's Retail Guidance under Section 29: [Retail Dispensary Guidance](#)

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## 27. Quarantine/Remediations/Recalls/Returns



CGS Organizers (CAURD/AUCC) shall establish written policies and procedures to monitor and track all quality assurance concerns and complaints from licensees and customers, including, but not limited to, procedures for rapid notification to the licensees' supply and distribution chain to recall any cannabis product when directed by the Office, or as deemed necessary by the licensee. Such procedures must include notification to the Office within twenty-four (24) hours of learning of a serious adverse event, quality assurance concern, or initiating a recall.

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## **28. Cleaning and Sanitizing**

The CGS Organizer and CGS Vendors are responsible for the upkeep and maintenance of all facilities, containers, tools, contact surfaces, and equipment used in the sale of cannabis products. Cleaning and sanitizing shall be performed as frequently as necessary to maintain all facilities, areas, containers, tools, contact surfaces, and equipment in a clean and sanitary condition using a sanitizing agent registered by the U.S. Environmental Protection Agency (EPA) in accordance with labeled instructions.

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## **29. Refusal of Service**

CGS Vendor employees may refuse to sell cannabis products to a customer if they believe the sale would endanger the health or safety of the customer. A CGS Vendor must direct its employees to refuse a sale if, based on the information available at the time, the sale:

- Would be to an individual that a reasonable person would assume is intoxicated based on a visual assessment (whether it be by cannabis or another intoxicating substance);
- Would result in the customer exceeding the legal possession limit;
- Would create a risk of diversion; or
- Would be to an individual who is under twenty-one (21) years of age.

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## **30. Compliance**

The Office may inspect or audit CGS for compliance at any time during the CGS. Licensees found to be engaging in non-compliant activities may be subject to enforcement actions, as set forth in Part 133 of Chapter II of Subtitle B of Title 9 of the New York Codes, Rules and Regulations and will, at a minimum, be barred from participating in future Cannabis Growers Showcases.

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### 31. Undue Influence

To prevent suppliers from exerting inappropriate control over retail dispensaries, the Cannabis Law places restrictions on the ability of an entity in one tier from having an interest in an entity in another tier of the industry.

CAURD licensees, their true parties of interest, passive investors, and any management service providers cannot have any interest in any business anywhere that cultivates, processes, or distributes cannabis. A licensee who, themselves or through their true parties of interest, passive investors, or any management service providers, holds a prohibited interest risks their license being cancelled, suspended, or revoked or other enforcement actions being taken.

The Cannabis Law also prohibits licensees authorized to cultivate, process, or distribute cannabis from giving something of value to retail dispensaries to induce the retail dispensary to buy something from the licensee authorized to cultivate, process, or distribute cannabis. Generally speaking, the Office presumes that anything such licensee gives to a retail dispensary is meant to induce the retail dispensary to buy product including, but not limited to: (1) gifts; (2) discounts, except not in excess of one per centum for payment on or before ten days from date of shipment of such cannabis; (3) customer loyalty programs; (4) loans of money; (5) premiums; (6) rebates; (7) free product of any kind, except as permitted in regulations or guidance; (8) treats or services; or (9) property.

Additional information about true parties of interest can be found at [cannabis.ny.gov/caurd-tpi](https://cannabis.ny.gov/caurd-tpi).

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### 32. Availing

Availing is when a person who was not disclosed to the Office has an ownership or controlling interest in a licensed entity. A licensee is responsible for violations committed by third parties who are availing the license.

Availing occurs when the licensee turns control of the business over to an undisclosed party without any direction, supervision, or oversight by the licensee, even if the undisclosed party does not profit from the use of the license. Availing may involve a failure to disclose an individual's interest in the business at the time the application is submitted to the Office or failure to disclose the transfer of an interest after licensure.

Evidence of availing includes:

- an agreement giving a financial or controlling interest to an undisclosed party;
- an undisclosed party receiving a percentage of the profits; and
- bank accounts, records and other licenses/permits in the undisclosed party's name.

CGS Organizers and CGS Vendors cannot avail their responsibilities related to the CGS to an undisclosed non-licensed party or individual.



Managers who oversee the business for the licensee are not availing the license.

An unauthorized ownership change is a version of availing in which the licensed entity stays the same, but the principals of the licensed entity change without such change being approved by the Office. If a new entity is operating the business without Office approval, then that is availing. If the licensed entity is still in control but with different (unapproved) principal(s), that is an unauthorized ownership change.

To avoid an availing charge due to an unauthorized ownership change, be sure to obtain approval, pursuant to this Guidance, before making any ownership changes to your license.

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### **33. Changes to Guidance**

The Office reserves the authority to issue changes, corrections, and amendments to this Guidance. Revised editions of guidance will be posted on the Office's website and notice will be sent to licensees. The Office may provide licensees a period of time to come into compliance with such changes and, if such time is provided, the Office will communicate that period to licensees. The Office reserves the right to repeal the CGS program.

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If your question is not answered at in the resources on this page, please contact the Office of Cannabis Management at [CGSInfo@ocm.ny.gov](mailto:CGSInfo@ocm.ny.gov).